

CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Purchase of Padmount Transformers (\$27,086.20)

MEETING DATE: September 15, 1999

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt the attached resolution authorizing the purchase of 16 padmount transformers from Howard Industries, Laurel, Mississippi, in the amount of \$27,086.20.

10 ea 50KVA Single-Phase Padmounts	\$15,623.75
6 ea 75KVA Single-Phase Padmounts	\$11,462.45

BACKGROUND INFORMATION: On February 17, 1999, the City Council authorized purchase of several sizes of polemount and padmount transformers, including two sizes of single-phase padmount units, from Howard Industries of Laurel, MS.

In July, Howard Industries, the low bidder for ten 50KVA and six 75KVA single-phase padmounts, completed delivery of the order, then in August delivered a duplication of the order. It is this duplication (ten 50KVA and six 75KVA single-phase padmounts) that staff is recommending approval to purchase.

Purchase is recommended for a couple of reasons. First, the transformers will be needed within the next six months to cover the increased development activity in the city, while manufacturers' delivery leadtimes have increased dramatically (the heat wave on the East Coast boosted demand on electric utilities' systems, leading to a higher-than-normal failure (and replacement) rate in distribution transformers). Second, Howard has agreed to defer billing on these sixteen transformers until March, 2000.

To recap the overall bid, on January 27, 1999, bids for 22 polemount and 23 padmount transformers were opened and total life-cycle costs were evaluated. Life-cycle costs are the combined total of purchase price plus cost of operation based on estimated power loss during the projected life of the transformer. Proposals are also evaluated on the basis of compliance with equipment and bid specifications. Failure to comply with both may lead to disqualification of the bid. A summary of the bid evaluation for the 50KVA and 75KVA padmount units is attached as Exhibit A.

FUNDING: Electric Utility Department 1999-2001 Fiscal Year Operating Plan,


Alan N. Vallow, Electric Utility Director

Funding Approved:


Vicky McAthie, Finance Director

Prepared by Joel Harris, Purchasing Officer

APPROVED: _____


H. Dixon Flynn -- City Manager

EXHIBIT A

Transformer Bid Evaluation
 Bid Opening Jan. 27, 1999

50KVA 240/120 Volt 1Ø Pad Qty 10	Unit Price	Extended Price	Price w/ Tax	Cost of Losses	Life Cycle Cost
Howard Industries, Inc. (A)	\$1,450.00	\$14,500.00	\$15,623.75	\$9,460.00	\$25,083.75
Howard Industries, Inc. (B)	\$1,158.00	\$11,580.00	\$12,477.45	\$13,120.00	\$25,597.45
Kuhlman Transformers, Versailles, KY	\$1,163.00	\$11,630.00	\$12,531.33	\$13,380.00	\$25,911.33
Cooper Power Systems, Milwaukee, WI	\$ 990.00	\$ 9,900.00	\$10,667.25	\$15,540.00	\$26,207.25
Central Moloney, Inc., Pine Bluff, AR	\$1,289.00	\$12,890.00	\$13,888.98	\$12,620.00	\$26,508.98
G E Supply Co., Sacramento	\$1,066.00	\$10,660.00	\$11,486.15	\$17,280.00	\$28,766.15
Wesco Distribution, San Francisco	\$1,103.00	\$11,030.00	\$11,884.83	\$17,260.00	\$29,144.83
Jerry's Electric, Inc., Colman, SD	\$1,394.80	\$13,948.00	\$15,028.97	\$17,280.00	\$32,308.97

75KVA 240/120 Volt 1Ø Pad Qty 6	Unit Price	Extended Price	Price w/ Tax	Cost of Losses	Life Cycle Cost
Howard Industries, Inc. (A)	\$1,773.00	\$10,638.00	\$11,462.45	\$ 7,800.00	\$19,262.45
Howard Industries, Inc. (B)	\$1,415.00	\$ 8,490.00	\$ 9,147.98	\$10,776.00	\$19,923.98
Kuhlman Transformers, Versailles, KY	\$1,531.00	\$ 9,186.00	\$ 9,897.92	\$10,188.00	\$20,085.92
Cooper Power Systems, Milwaukee, WI	\$1,229.00	\$ 7,374.00	\$ 7,945.49	\$12,168.00	\$20,113.49
Central Moloney, Inc., Pine Bluff, AR	\$1,510.00	\$ 9,060.00	\$ 9,762.15	\$11,208.00	\$20,970.15
Wesco Distribution, San Francisco	\$1,473.00	\$ 8,838.00	\$ 9,522.95	\$11,556.00	\$21,078.95
G E Supply Co., Sacramento	\$1,312.00	\$ 7,872.00	\$ 8,482.08	\$14,088.00	\$22,570.08
Jerry's Electric, Inc., Colman, SD	\$1,798.50	\$10,791.00	\$11,627.30	\$14,220.00	\$25,847.30

RESOLUTION NO. 99-138

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE BID FOR THE PURCHASE OF
PADMOUNT TRANSFORMERS

WHEREAS, Lodi Municipal Code, §3.20.070, authorizes dispensing with bids for purchases of supplies, services or equipment when it is in the best interest of the City to do so; and

WHEREAS, on February 17, 1999 the City Council authorized the purchase of several sizes of polemount and padmount transformers; and

WHEREAS, in July Howard Industries, the low bidder for the padmount transformers, completed delivery of the order and then in August delivered a duplication of the order; and

WHEREAS, staff recommends purchasing the duplicated order because the transformers will be needed within the next six months to cover the increased development activity in the City, and in addition, Howard Industries has agreed to defer billing on these sixteen transformers until March 2000.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby approves the purchase of 16 padmount transformers for the Electric Utility Department from Howard Industries of Laurel, Mississippi in the total amount of \$27,086.20.

Dated: September 15, 1999

I hereby certify that Resolution No. 99-138 was passed and adopted by the City Council of the City of Lodi in a regular meeting held September 15, 1999, by the following vote:

AYES: COUNCIL MEMBERS – Mann, Nakanishi and Land (Mayor)

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Hitchcock

ABSTAIN: COUNCIL MEMBERS – Pennino


ALICE M. REIMCHE
City Clerk